

Monthly Challenges for 2013

Here at the FSS Program, we believe in the power of setting and accomplishing goals. That's why we've developed the **12 Challenges for 2013**! Each month, we will send you a new challenge to overcome. As you accomplish your goals, we invite you to share your success! Simply hit reply to this email to tell us about how you're doing, suggest topics and share resources or tips !

Challenge

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February is:

Tax Assistance Month

Once again, tax season is upon us! The FSS team encourages you to file for your taxes in a timely manner this year! Below are some helpful tips to aid you as you go through the process. Additionally, there are free tax preparation services that you may be eligible for.

Have your goals changed? Remember to [Contact the FSS program](#) today to update your contract!

Tax Tips

Tax tips from the IRS

While each individual tax return is unique, there are some tax rules that affect every person who files a federal income tax return. These rules involve dependents and exemptions. The IRS has six important facts about dependents and exemptions that will help you file your 2012 tax return.



♦ Exemptions reduce taxable income.

There are two types of exemptions: personal exemptions and exemptions for dependents. You can deduct \$3,800 for each exemption you claim on your 2012 tax return.

♦ Personal exemptions.

You usually may claim one exemption for yourself on your tax return. You also can claim one for your spouse if you are married and file a joint return. If you and your spouse file separate returns, you may claim the exemption for your spouse only if he or she had no gross income, is not filing a joint return and was not the dependent of another taxpayer.

♦ Exemptions for dependents.

Generally, you can claim an exemption for each of your dependents. A dependent is either your qualifying child or qualifying relative. If you are married, you may not claim your spouse as your dependent. You must list the Social Security Number of each dependent you claim on your return. See Publication 501, Exemptions, Standard Deduction, and Filing Information, for information about dependents who do not have Social Security numbers.

♦ Some people do not qualify as dependents.

While there are some exceptions, you generally may not claim a married person as a dependent if they file a joint return with their spouse.

♦ Dependents may have to file.

If you can claim someone else as your dependent on your tax return, that person may still be required to file his or her own tax return. Whether they must file a return depends on several factors, including the amount of their gross income (both earned and unearned income), their marital status and any special taxes they owe.

♦ Dependents can't claim a personal exemption.

If you can claim another person as a dependent on your tax return, that person may not claim a personal exemption on his or her own tax return. This is true even if you do not actually claim that person as your dependent on your tax return. The fact that you could claim that person disqualifies them from claiming a personal exemption.

Remember that a person must meet several tests in order for you to claim them as your dependent. See Publication 501 for the tests you will use to determine if you can claim a person as your dependent.

♦ You can view or download Publication 501 at IRS.gov or order it by calling 800-TAX-FORM (800-829-3676). You can also use the Interactive Tax Assistant at IRS.gov to find out if a person qualifies as your dependent. The ITA is a helpful tool that can answer many of your tax law questions.

Tax Prep Resources

[IRS Wants You to Know About Schemes, Scams and Cons](#)

"If it sounds too good to be true, it probably is!" Don't become a victim to any scheme that offers instant wealth or exemption from your obligation as a United States citizen to file tax returns and/or pay taxes. Some of these schemes can literally cost you your life savings. Others can result in your prosecution and imprisonment if you knowingly participate in them.

If your income is \$57,000 or less, let Free File brand-name software do the hard work for you with free tax preparation and free e-filing. It's available only through www.irs.gov, where a number of tax software companies make their products available for free. Some also support state tax returns for free.

State income tax return preparation resources:

www.ftb.ca.gov

www.211sandiego.communityos.org



It's good to have money and the things that money can buy, but it's good, too, to check up once in a while and make sure that you haven't lost the things that money can't buy. ~George Horace Lorimer



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